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CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Josh Copley, City Manager

Co-Submitter: John Stigmon, President & CEO, Economic Collaborative of Northern Arizona (ECoNA)

Date: 12/28/2017

Meeting Date: 01/02/2018

**TITLE**

Executive Leadership Housing Roundtable Update

STAFF RECOMMENDED ACTION:

Information Only

EXECUTIVE SUMMARY:

At its work session on April 28, 2015, Council gave direction to staff to facilitate a discussion among major community employers regarding housing issues and associated challenges experienced by their respective workforces. The intent of this direction was to allow Council to better understand the specific needs of employers and what impact our housing situation has on their ability to recruit and retain employees rather than rely on anecdotal information. This would then allow Council to approach solution strategies that had the best chance for a successful outcome.

The first meeting of the Executive Leadership Housing Roundtable occurred at City Hall on Jan 13th, 2016. This meeting was well attended by the leaders of every major employer in Flagstaff including Northern Arizona Healthcare, GORE, Nestle-Purina, Joy Cone, FUSD, NAU, City of Flagstaff, Coconino County, and the Navajo Nation. We had a very productive meeting and received some informative presentations from our City of Flagstaff Planning and Housing staffs. After a roundtable discussion where each executive spoke about his or her organization's unique housing challenges we decided that, corporately, we share a common problem that would best be solved by continuing to work together. We recognized that developing housing solutions is complex and will involve private sector developers, land, capital investment, infrastructure, and policy.

Additionally, we decided that it would be best to have ECoNA act as the facilitator of continued meetings so that no one organization was perceived to be driving the discussion.

We met again on June 27th 2016 at the Northern Arizona Center for Entrepreneurship and Technology (NACET) and continued our dialogue. We had a presentation on some of the housing cost drivers that are experienced by several cities, including Flagstaff, situated in the Rocky Mountain West region. We agreed that we needed more consistent and reliable information to assist us in formulating solution strategies. This included engaging the services of a consultant to assist us in understanding the real estate market, assessing availability of housing assistance resources, identifying financial gaps between typical wages and housing costs, and identifying the key obstacles to employee housing availability. We

also decided that we needed to survey our combined employee workforce to better understand their perspectives.

In the fall of 2016 ECoNA contracted with the Northern Arizona University W.A. Franke College of Business to conduct a comprehensive workforce survey of 13 of the largest employers in the Flagstaff Metropolitan Planning Area. The goal of this study was to better identify and quantify the complex relationship between housing and workforce.

In the spring of 2017 Werwath Associates was engaged to explore the challenges and opportunities for both employee assisted housing models, as well as the larger housing crisis facing Flagstaff. What followed was a series of stakeholder interviews, demographic and data analysis, and ultimately, the recommendations included in the attached report entitled “Housing Attainability for the Flagstaff Workforce.”

INFORMATION:

Attachments: [Report](#)